



Loudoun County, Virginia

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Office of the County Assessor

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LAND USE ASSESSMENT PROGRAM

Special Program for Land Preservation

In 1971, the Virginia General Assembly enacted a law permitting localities to adopt a program of special assessment for agricultural, horticultural, forest and open space lands. These laws are contained in Sections 58.1-3229 through 58.1-3244 of the Code of Virginia.

Loudoun County adopted the Land Use Assessment Program in 1973. The program provides for the deferral of real estate taxes when a property meets qualifying standards for agricultural, forestry, horticultural or open space uses. Assessed values under the program are generally less than those estimated at fair market value. The requirements of the program are contained in Chapter 848 of the Codified Ordinances of Loudoun County.

The purposes of the program are stated as:

- To encourage the preservation and proper use of such real estate in order to assure a readily available source of agricultural, horticultural and forest products and of open spaces with the reach of concentrations of population.
- To conserve natural resources in forms, which will prevent erosion, and to protect adequate and safe water supplies.
- To promote proper land-use planning and the orderly development of real estate for the accommodation of an expanding population, and
- To promote a balanced economy and ameliorate pressures which force conversion of such real estate to more intensive uses and which are attributable in part to the assessment of such real estate at values incompatible with its use and preservation for agricultural, horticultural, forest or open space purposes.

APPLICATION FOR LAND USE ASSESSMENT

To qualify property under the County's Land Use Assessment ordinance, an application must be submitted as required by Virginia Codes and County Ordinances. Original applications must be received at least 60 days prior to the tax year for which such special assessment is sought. A separate application is required for each parcel. **All real estate taxes must be current before an application will be accepted.** When the filing date falls on a weekend or holiday the due date is the next business day. The filing dates and fees are as follows:

Payments by Visa, MasterCard or Discover credit cards are accepted

Normal Deadline: November 1 prior to the tax year

Late Filing Deadline: November 2 – December 5 prior to the tax year

Application Fees: \$125.00 per parcel plus an additional \$1.00 per acre per parcel

Late Filing Fee: Normal Fee plus \$300.00

Please Note: Applications, Revalidations and Recertifications **will not** be accepted after December 5th for the following tax year.

APPLICATION PROCESS:

Every person making application for land use assessment must submit the following:

- Application for Land Use Assessment
- Filing Fee(s)
- Statement of Qualifying Use and Production* or Forest Management Plan or applicable documentation for Open Space
- Declaration of Ineligible Land
- Loudoun Soil and Water Conservation District Agreement
- Affidavit and Declaration of Understanding of the Land Use Assessment Program Requirements

*Agriculture and Horticulture require supporting documentation to validate the use and production. The following is acceptable documentation that may be required with the application:

- Profit or Loss from Farming...Form 1040F
- Farm Rental Income/Loss.....Form 4835
- Supplemental Income/Loss....Form 1040E
- Business Profit and Loss.....Form 1040C
- Farm History Sales Receipts
- Affidavit of Production Form (Available Online)

STANDARDS FOR CLASSIFICATION & SUMMARY OF PRODUCTION REQUIREMENTS

While the Code of Virginia sets out the basic prerequisites for a landowner wishing to qualify for use-value assessments, it has assigned the responsibility for prescribing uniform standards for qualification to the Commissioner of Agriculture and Consumer Services (agricultural and horticultural lands), The State Forester (forest lands) and the Director of the Department of Conservation and Recreation. Further, to aid localities in the localities in arriving at use-value assessments, the law has established the State Land Evaluation Advisory Council (SLEAC). SLEAC is composed of these four departments plus the State Tax Commissioner and the Dean of the College of Agriculture and Life Sciences of Virginia Tech.

Standards for Classification

SLEAC publishes the Standards for Classification as required by the Code of Virginia Title 58.1-3236. These standards set forth the general and specific requirements to qualify a property for Land Use Assessments. The following summary is intended to be a general overview of the Standards for Classification. It does not take the place of the full text of the Standards.

Forestry: To qualify, the property must be a minimum of 20 qualifying acres and must meet the Standards for productive or nonproductive forestland.

Productive forestland is a commercial forest crop that is physically accessible for harvesting when mature. Nonproductive forestland is not capable of growing a crop of commercial wood products because of inaccessibility or adverse site conditions.

The owner shall certify that the real estate is being used in a planned program of timber management and soil conservation practices.

- 1) Enhance the growth of commercially desirable species through generally accepted silvicultural practices.
- 2) Reduce or prevent soil erosion by Best Management Practices such as logging road layout and stabilization, stream side management zones, water diversion practices and other Best Management Practices which prevent soil erosion and improve water quality.

Certification of the intent of the owner can be shown by,

- 1) Submitting a plan prepared by a professional forester.

Agriculture: To qualify, the property must be at least 5 qualifying acres, have a continual 5-year qualifying history of the bona fide production for commercial sale of plants or animals, or plant or animal products useful to man. The 5-year history may be waived for production that requires more than two years from initial planting until commercially feasible harvesting. Generally accepted products include livestock, dairy, poultry, and aquaculture.

Or the property may be devoted to and meeting the requirements and qualifications for payments or other compensation pursuant to a soil and conservation program under an agreement with an agency of the Federal Government.

Qualifying production includes the following:

- Field crops shall be primarily for commercial uses and a gross income of \$1,000 per year must be documented or \$1,000 averaged over the previous three year period.

Note, Christmas trees are considered agricultural products.

Livestock, dairy, poultry or aquaculture production must be primarily for commercial uses; the required gross income must be documented and shall have a minimum of one (1) animal unit for 12 months per five acres of open land.

One animal unit is described as:

1. One Cow
2. One Horse
3. Five Sheep
4. Five Goats
5. Five Swine
6. One Hundred Chickens
7. Sixty Six Turkeys
8. One Hundred Other Fowl
9. Freshwater Fish and Shellfish under controlled conditions for food
10. Three Llamas (Lama Glama)
11. Eight Alpacas (Lama Pacos)
12. Sixty Six Peacocks
13. Six Adult Emus
14. Apiary Production requires at least two hives regardless of acreage. The area around the hives must be managed to provide an unrestricted flight path and should contain plants that can serve as food sources to promote honey production.

Horticulture: To qualify, the property must be at least 5 qualifying acres, have a continual 5-year qualifying history of the bona fide production for commercial sale of fruits, vegetables, ornamental plants and ornamental products. The 5-year history may be waived for production that requires more than two years from initial planting until commercially feasible harvesting.

Or the property may be devoted to and meeting the requirements and qualifications for payments or other compensation pursuant to a soil and conservation program under an agreement with an agency of the federal government.

Qualifying production includes the following:

- Fruits and Nuts
- Vegetables
- Nursery Products
- Floral Products

Note: The area planted or covered by greenhouses must meet the 5-acre minimum.

Open Space: To qualify for open space, the use must be consistent with the land use plan of the County. In general, the real estate must be subject to a perpetual conservation, historic or open space agreement held by a public body; be part of an agricultural or forestry district approved by the local government; or meet the requirements for a recorded open space commitment with the governing body.

- **Historic Resource Protection** – Must be five qualifying acres, be listed as an historic property on the National Register of Historic places; and be subject to a perpetual scenic, historic or open space easement or a 7 to 10 year recorded commitment with the County.
- **Scenic Resource Protection** – Must be 5 qualifying acres: be contiguous to (as defined by the Code of Virginia) a scenic by-way with at least 300 feet of frontage or a scenic river; or be adjacent to a public property listed in the approved State Comprehensive Outdoors Recreation Plan (also known as the Virginia Outdoors Plan) and be subject to a perpetual open space easement or a 7 to 10 year recorded open space commitment with the County.
- **Protection of Farmland for Future Agricultural Use** – Must be at least 20 qualifying acres and be located in a rural area as defined by the County's General Plan. There must be a minimum 10-year open space commitment with the County.
- **Achievement of Comprehensive Planning and Community Development Goals** – Must be at least 5 qualifying acres; be protected by a permanent open space easement, scenic easement or be located in an agricultural or forestry district. Rural village and rural hamlet conservancy lots protected by permanent open space easements may qualify when they meet minimum qualifying acreage.

REVALIDATION OF LAND USE ASSESSMENT APPLICATION

Revalidation – Loudoun County Ordinances require the revalidation of each parcel enrolled in the Land Use Assessment Program every sixth year with the appropriate fee. **While the County attempts to mail revalidation forms to every property owner of record, it is the ultimate responsibility of the property owner to ensure the appropriate revalidation of any property in the program.**

Revalidation Forms are mailed the first week in October and are due, without penalty by November 1st. Revalidation Forms are accepted from November 2nd through December 5th with a \$300.00 late fee per parcel in addition to normal filing fees.

Revalidation of Land Use Application requires documentation of adequate qualifying production for the previous 5 years. Examples of acceptable documentation are:

1. PROFIT OR LOSS FROM FARMING FORM 1040F
2. FARM RENTAL INCOME/LOSS FORM 4835
3. SUPPLEMENTAL INCOME/LOSS FORM 1040E
4. BUSINESS PROFILE AND LOSS FORM 1040C
5. CORPORATE PARTNERSHIP FORM 1120
6. FOREST MANAGEMENT PLAN
7. FARM HISTORY SALES RECEIPTS

The property owner is responsible for providing documentation on the use of the property at the time of revalidation. Incomplete applications will not be accepted and could result in the property being removed from land use assessment and roll back taxes being assessed.

Roll Back Taxes – Changes in use, rezoning to a more intense use and the split off or subdivision of lots may trigger roll back taxes. Roll back taxes are the difference between the land use assessment and fair market value for the 5 previous years of the change plus 10% interest per year (current year no interest, 1st year 10%, 2nd year 20%, 3rd year 30%, 4th year 40% and 5th year 50%). The current year taxes will be extended at fair market value.

Sliding Scale Deferral for Property Held for Longer Periods in Qualifying Use:

Any property that is already qualified for land use assessment may further qualify for additional deferral of taxes upon an approved written commitment to keep the property in a qualifying use for an additional number of years.

(1) A commitment to hold a property in its qualifying use for more than 10 years but not more than 20 years - 99% of the taxes otherwise assessed may be deferred for the term of the commitment.

(2) A commitment to hold a property in its qualifying use for more than 5 years but not more than 10 years - 50% of the taxes otherwise assessed may be deferred for the term of the commitment.

To qualify for the additional deferral, the property owner must execute a written agreement on a form approved by the County Attorney, executed by the County Administrator or his/her designee and recorded in the County land records (Clerk's Office). The property owner is responsible for recording fees and timely recording of the agreement.

The period of roll back taxes may also increase depending on the time the extra deferral is received.

NOTE: The additional deferral does not apply to buildings and ineligible land assessed at fair market value.